From: Morning Consult
To: lmartin@bakersfieldpd.us
Subject: Morning Consult Tech, Presented by T-Mobile: Facebook Reportedly Facing 20 Years of Government Oversight in FTC Settlement Deal
Date: Tuesday, May 14, 2019 5:11:17 AM

By Sam Sabin

Top Stories

- Facebook Inc.is facing 20 years of government oversight on its privacy practices under a settlement deal with the Federal Trade Commission over alleged privacy abuses, according to a source with knowledge of the discussions, after lawmakers urged the agency to go beyond a $5 billion civil penalty. The FTC's settlement announcement could be a month away, one source said, and the company was also given a 20-year oversight requirement in its 2011 settlement with the agency. (Reuters)

- Former Vice President and current Democratic presidential candidate Joe Biden said "we should take a really hard look at" whether to break up large tech companies, but that it is "premature" to say if embracing a pro-breakup

stance, such as the one laid out by fellow Democratic nominee Sen. Elizabeth Warren, is the right call. Biden's comments follow similar ones made by presidential contenders Sens. Kamala Harris (D-Calif.) and Cory Booker (D-N.J.) on Facebook's size over the weekend, highlighting the growing presence of the regulation of tech companies in the race. (The Associated Press)

- T-Mobile US Inc. and Sprint Corp. are considering certain concessions to ensure that their proposed $26.5 billion merger is approved, including possibly separating and selling their prepaid businesses, according to people familiar with the discussions. Other concessions being considered include selling airwave licenses and setting up a fourth carrier through a network-leasing arrangement, the people said, in an effort to ease regulator concerns that the deal could hinder U.S. wireless competition. (Bloomberg)

Chart Review

US tariff revenues are way up, but China isn't paying for them
Quartz

Events Calendar (All Times Local)

05/14/2019

NIST privacy framework workshop	
Senate Judiciary hearing on 5G and national security	10:00 am
FTC Commissioner Rohit Chopra talks antitrust at the ABA Antitrust Section program "Pharmaceutical Rebate Walls: the Antitrust Risks"	12:00 pm

Senate Commerce's hearing on the emerging space environment	3:00 pm

05/15/2019

Brookings Institution's inaugural conference of the Global Research Network on Terrorism and Technology	8:30 am
Senate Commerce's markup of tech-related bills	10:00 am
House Energy and Commerce communications subcommittee's FCC oversight hearing	10:00 am
SHLB Coalition's "The Economic Benefits of Keeping the 'E' in EBS" lunch event	12:15 pm
New America's event on the 2020 Census	12:30 pm
FCC webinar on information for older American consumers	2:00 pm
BroadbandUSA webinar on broadband policies	2:00 pm
Politico event on the future of female entrepreneurship	6:00 pm

05/16/2019

CompliancePoint's "Preparing for CCPA Compliance" workshop	8:00 am
House Intelligence Committee's hearing on China's surveillance practices	9:00 am
U.S. Chamber of Commerce's annual global supply chain summit	9:00 am

05/17/2019

Engine and the Charles Koch Institute's panel discussion on GDPR one year later	12:00 pm

05/20/2019

WSJ Future of Everything Festival	
Interop ITX	

05/21/2019

WSJ Future of Everything Festival

Interop ITX

View full calendar

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American leadership, and supercharge competition. Important investor information: NewTMobile.com

General

One month ago, Foxconn said its innovation centers weren't empty - they still are
Josh Dzieza, The Verge

Last summer, Foxconn announced that it would buy buildings across Wisconsin and turn them into "innovation centers" as part of its record-breaking $4.5 billion tax subsidy agreement with the state. The initial agreement with Wisconsin had been for a large-screen LCD manufacturing facility, but by 2018, the company had downsized the factory to a far smaller type.

San Francisco to vote on banning face recognition technology
Janie Har, The Associated Press

San Francisco supervisors will vote on surveillance oversight legislation Tuesday that includes a ban on the use of facial recognition technology by police and other city departments. If approved by the full board, San Francisco would become the first U.S. city to outlaw the tech at a time when it is becoming a part of daily life, from international airports to home security cameras.

Read the memo Uber's CEO sent to employees after its disappointing IPO
Deirdre Bosa and Steve Kovach, CNBC

Uber CEO Dara Khosrowshahi sent a memo to employees Monday after the company's disappointing IPO that saw shares fall more than 7% from its listing price.

Commerce bans Chinese firms from exporting sensitive US technology
Emily Birnbaum, The Hill

The Commerce Department on Monday announced that it is banning six Chinese firms from exporting sensitive U.S. technologies, accusing the companies of attempting to procure commodities from the U.S. to aid groups in Iran and China.

White House wants $1.6 billion extra for NASA to accelerate astronaut return to the Moon
Loren Grush, The Verge

NASA and the White House will ask Congress for an extra $1.6 billion in next year's budget to accelerate human missions to the Moon and return people to the lunar surface by 2024. The space agency is requesting these funds in addition to the $21 billion budget that the president already requested for NASA.

How Tech Helped Unknown Staffers Change The US Way of War
John Gans, Wired

The Tandberg video-teleconference monitor is sleeker than the average desktop computer but not much bigger. Developed by a Norwegian concern now owned by Cisco Systems, the desktop units-which look like knock-off iMacs, with a handset for dialing-support seamless and, when enabled, classified video-teleconferencing.

The Web's All-Seeing Eye: This Startup Is Getting In On Google's Game By Searching A Trillion Facts
Jillian D'Onfro, Forbes

Cisco wanted to provide users of its conferencing system profiles on everyone who signed on to a call-say, where they used to work or if they turned up in a news article. It's using a Mountain View, California, startup called Diffbot to make that happen.

U.S. Futures Rise With Europe Stocks as Asia Slips: Markets Wrap
Yakob Peterseil, Bloomberg

U.S. equity futures rose alongside European stocks on Tuesday, shrugging off losses in Asia as investors assessed the prospects for global trade in the wake of a brutal start to the week for markets. Haven assets including Treasuries, gold and the yen slipped.

Intellectual Property and Antitrust

Apple's Supreme Court loss sends antitrust shockwaves through Silicon Valley
Tony Romm and Reed Albergotti, The Washington Post

Apple's loss in a high-stakes Supreme Court case on Monday unsettled Silicon Valley, threatening a wave of new consumer lawsuits and other legal salvos that could challenge the size and power of the tech industry. For Apple, the 5-4 decision means that iPhone owners can proceed with a class-action case targeting the company's App Store.

'Upside-Down' World: Facebook Debate Divides Republicans
Ashley Gold, The Information

Federal regulators' negotiations with Facebook over how severe a penalty the social media company should face for privacy violations has shaken the political status quo. Democratic and Republican lawmakers, who these days find little to agree on, have teamed up to demand tough consequences for Facebook. Typically reticent Federal Trade commissioners have been hinting at their divisions publicly.

Telecom, Wireless and TV

FCC Commissioners Say the Agency Won't Tell Them About Phone Location Data Investigation
Joseph Cox, Motherboard

Two Commissioners of the Federal Communications Commission say that the agency has not been forthcoming about its investigation into the sale of consumers' real-time cell phone location data by AT&T, Sprint, Verizon, and T-Mobile. The commissioners told Motherboard that they don't have insight into what's actually being investigated. It appears the investigation has not been prioritized by the agency.

Rep. Clyburn Forms Rural Broadband Task Force
John Eggerton, Multichannel News

House Majority Whip Rep. James Clyburn (D-S.C.) has launched the House

[Democratic] Task Force on Rural Broadband to try and help close the rural digital divide and eliminate "digital deserts." "High-speed internet is an essential service in America today-yet too many of our fellow citizens in rural communities are being left behind," said Rep. Clyburn.

FCC gets tough on China as trade war escalates
Emily Birnbaum, The Hill

The Federal Communications Commission (FCC) is ramping up its battle against Chinese telecom companies as the Trump administration pursues an aggressive trade strategy against China. Analysts say the FCC's recent action against China Mobile, and its ongoing investigations into two other Chinese telecom giants, could exacerbate tensions between the two countries amid high-stakes trade negotiations.

Huawei founder 'would shut it down' if China asked it to eavesdrop
Dan Sabbagh, The Guardian

The founder of the Chinese telecoms equipment firm Huawei would "shut the company down" if he was asked by the country's communist regime to eavesdrop on mobile phone calls, according to a senior executive at the fast-growing multinational.

Matt Bevin criticized by governor candidates for not addressing Kentucky internet problems
Alfred Miller, Louisville Courier Journal

Candidates for governor used Kentucky's long-delayed and over-budget statewide internet project to bash Gov. Matt Bevin, following a jointly published report by the Courier Journal and ProPublica. KentuckyWired - a bipartisan plan pushed by former Democratic Gov. Steve Beshear and Republican Rep. Hal Rogers - promised to bring improved broadband internet connectivity to the state's farthest corners.

Mobile Technology and Social Media

Welcome to TrumpTok, a Safe Space From Safe Spaces
John Herrman, The New York Times

The biggest American social networks predate the presidency of Donald J.

Trump, some by more than a decade. All were changed by Mr. Trump's arrival to power, joining many other American institutions in a conspicuous struggle to account for or accommodate political and social upheaval.

Grindr's Chinese Owner to Sell App by 2020
David McLaughlin and Linly Lin, Bloomberg

The Chinese owner of Grindr is required to sell the popular gay-dating app by June 2020 under an agreement with U.S. officials who raised national security concerns about the app's ownership.

Google opens German center to improve data privacy
The Associated Press

Google opened a privacy focused engineering center in Munich, Germany, on Tuesday, its latest move to beef up its data protection credentials as tech companies' face growing scrutiny of their data collection practices. CEO Sundar Pichai said the Silicon Valley tech giant is expanding its operations in the southern German city, including doubling the number of data privacy engineers there to more than 200 by the end of 2019.

Video game lobby group names new CEO
Seth Schiesel, The Washington Post

The Entertainment Software Association, the trade association of the video game industry, named Stanley Pierre-Louisas its new president and chief executive Monday. Pierre-Louis, who had served as the organization's general counsel since 2015, now becomes the video game industry's public face in Washington.

YouTube's Newest Far-Right, Foul-Mouthed, Red-Pilling Star Is A 14-Year-Old Girl
Joseph Bernstein, BuzzFeed News

"Soph" has nearly a million followers on the giant video platform. The site's executives only have themselves to blame.

Cybersecurity and Privacy

GOP senator presses Zuckerberg over 'privacy pivot'

Emily Birnbaum, The Hill

Sen. Josh Hawley (R-Mo.) in a lengthy letter on Monday pressed Facebook CEO Mark Zuckerberg over his company's recently announced plans to become a "privacy-oriented" platform after more than a year of scandals over its handling of user privacy.

Wyden seeks answers in Florida election hacking allegations
Kim Zetter, Politico

Sen. Ron Wyden (D-Ore.) has questions that a lot of people are still asking three years after the 2016 presidential race - what exactly happened with VR Systems, the Florida voter-registration software maker that the FBI apparently believes Russia hacked.

WhatsApp urges users to upgrade app after report of spyware attack
Steven Scheer, Reuters

Facebook's WhatsApp urged users to upgrade to the latest version of its popular messaging app following a report that users could be vulnerable to having malicious spyware installed on phones without their knowledge.

People say they care about privacy but buy devices that can spy on them anyway
Rani Molla, Vox

Many of us are in unhealthy relationships - with tech companies. The makers of some our most omnipresent technology like Google, Facebook, and Amazon have continually jeopardized user trust by tracking or sharing data they weren't supposed to, either on purpose or through hacks.

Opinions, Editorials and Perspectives

Kavanaugh Takes a Shot at Apple, and Big Tech Should Take Note
Noah Feldman, Bloomberg

In a 5-4 decision Monday, the U.S. Supreme Court allowed iPhone users to sue Apple Inc. for being a monopolist when it comes to apps. The fascinating fact about the holding isn't its legal logic, which was sensible enough, although by

no means obvious.

Research Reports

2019 Data Breach Investigations Report
Verizon

The threats are real, the attackers motivated. But something stands between them and your organization's data: you and your security teams, with the insight, perspective, and tools to take action.

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